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# ONTARIO'S EXPENDITURE CONTROL PLAN

Minister of Finance

April 1993



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### Introduction

The Speech from the Throne presented the Government's 10-point plan to put Ontario back to work. The plan includes an economic package to ensure that the government is in a position to invest in Ontario's future, rather than borrowing from it. The package has four elements:

- To maintain investments in jobs
- To reduce the government's overall operating spending by reforming and restructuring ministries and programs
- To negotiate a social contract with representatives of employers and workers in the public sector that will help restructure the public sector and reduce its costs, and
- To increase government revenues while protecting those who are least able to afford new taxes.

These four elements are connected. Investing in jobs is crucial if we are to maintain our standard of living and restore the revenues the Government needs to provide public services. But our growing debt means that interest costs are eating into the money we have available for jobs and services. If we do not tackle the problem this year, it will simply get worse.

To find the money to invest in jobs and to maintain the services we value most, the Government must reduce and control its spending on other services – by eliminating waste and inefficiencies, by scaling back and refocussing services, and by restructuring programs so that service can be provided at less cost. It must also take steps to increase its revenues in a way that shares the tax burden fairly. A full account of how Ontario is addressing the four elements of the economic package will appear in the 1993 Ontario Budget.

Ontario's Expenditure Control Plan provides details on the second element of the economic package – reducing spending in 1993-94 by reforming and restructuring ministries and programs. The plan includes large and small measures that will save a total of almost \$4 billion in 1993-94. This figure includes \$1.5 billion in savings that were identified before the end of March, and another \$2.4 billion in further decisions that have been made in the past four weeks. When fully implemented in 1995-96, the savings will total between \$6 and \$7 billion annually.

Disclosing the details of expenditure reductions is an unusual step. But our economic and financial situation means that we cannot carry on business as usual. It is important for Ontarians to know that their Government is tackling our debt problem directly, openly and fairly. While many Ontarians will bear some of the burden of expenditure reduction, no group is being asked to go it alone.

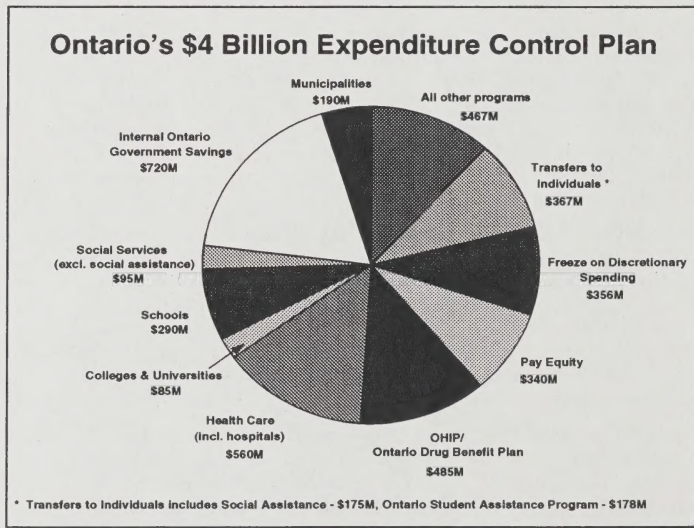
## EXPENDITURE CONTROL PLAN

### Principles

The Expenditure Control Plan includes tough decisions about priorities in difficult times. In making these decisions, the Government has been guided by four important principles:

- **Fairness:** The Government is committed to achieving its expenditure reductions — and indeed, all elements of its Economic Package — in a fair and balanced way. Everyone will be asked to contribute — including taxpayers, public sector employees, and those who rely on government services. Every ministry is contributing to the Expenditure Control Plan.
- **Putting our own house in order:** The largest single category of savings is within our own administrative costs. Of the total of almost \$4 billion in savings, \$720 million comes from savings on internal government operations. We have reduced government overhead by merging ministries with related functions, streamlining programs, rationalizing field offices, and cutting down on the bureaucratic layers that separate senior managers from front-line service deliverers.

Figure 1



- *Improving efficiency throughout the public sector:* A large share of our operating budget is composed of transfer payments to municipalities, school boards, universities, colleges, and hospitals. Given our fiscal realities, we cannot exempt these organizations from the imperative to find more efficient ways to deliver important public services.
- *Protecting those who are most vulnerable:* Social assistance and other social services make up almost one-fifth of our operating budget. While we are taking steps to target these programs better, reductions in these programs account for only 8 per cent of our total expenditure reductions.

## Sharing the Burden

The Expenditure Control Plan includes a range of large and small measures that will affect programs and services. The following is a sample:

- Support for industry through the Sector Partnership Fund will be allocated over 5 years rather than 3.
- Planned relocations of government staff are being downscaled or cancelled. The following projects have been cancelled: Haileybury, Windsor, Brantford, Elliot Lake, Chatham and Kingston. While we will be carrying out a further review of the scale and timing of the moves to Peterborough, St. Catharines, Niagara Falls and Guelph, these projects will go ahead, and provincial jobs will be moved to these communities. The Ontario Provincial Police headquarters in Orillia is under construction and is continuing. Most of the capital saved – a total of \$100 million – will be redirected to economic development in the communities adversely affected.
- All of Ontario's international offices will be closed. Support for international trade and investment will be provided through closer links with the Government of Canada's embassies and consulates and with private sector partners.
- The Ministry of Housing will take a more aggressive approach to mortgage financing for social housing, including renegotiating existing mortgages for non-profit and cooperative housing and of debentures for the Ontario Housing Corporation.
- The budget for the Farm Tax Rebate will be frozen at current spending levels.
- The Ontario Provincial Police will defer the replacement of vehicles and uniforms.
- The Ministry of Community and Social Services' Oxford Regional Centre in Woodstock for people with developmental disabilities will be closed in 1996. Resources will be provided towards moving each of the centre's residents to a community setting.

## EXPENDITURE CONTROL PLAN

- The Ministry of Community and Social Services will take a number of steps to improve caseload and program management of the social assistance program, including in-depth review of case files to ensure eligibility and accurate benefit levels. Cases where there has been a sponsorship breakdown will be reviewed. There will be a limit placed on retroactive payments.
- Funding for driver education in high schools will be eliminated.
- To eliminate duplication with other programs, the Employee Share Ownership Program will be abolished.
- Two colleges of agricultural technology at Centralia and New Liskeard will be closed.
- The Ministry of Natural Resources will consolidate its field offices, closing 25 locations across the province.
- The Ontario Drug Benefit Program will be reformed, including reforms of pharmacy services, prescribing guidelines, management of nutritional products and over-the-counter products, pricing and cost-sharing.
- The Ministry of Transportation will reduce the amount of salt used on provincial roads, as recommended by the Provincial Auditor.
- Unconditional grants to municipalities will be reduced. The dollar impact, province-wide, of this reduction will equal approximately 2% of municipal budgets.

A more complete review of how the Expenditure Control Plan affects each ministry's programs appears in the appendix.

## Cushioning the Effects on People

The Expenditure Control Plan will require significant changes in many areas of government. In some cases, jobs will be lost and services will be reduced. The Government has made every effort to minimize job losses and ensure that important services are maintained.

Within the Ontario Public Service, it is estimated that the Expenditure Control Plan will lead to a reduction of approximately 3,800 positions (full-time equivalents) in 1993-94. Staff attrition is expected to be between 2,900 - 3,300. This will alleviate some of the pressure for surplus staff. However, placement of staff depends upon skills and geographic matching as well as timing issues. By 1995-96, the total reduction in OPS positions is expected to be approximately 5,000 - 6,000.

In the Broader Public Sector, it is estimated that the Expenditure Control Plan will lead to a reduction of 5,500 - 7,200 positions in 1993-94. This represents less than 1 per cent of BPS employment. Even at the current low staff attrition rates in the BPS — estimated at about 2 per cent per year — the need for layoffs is expected to be minimized.

## Addressing Ontario's Debt Problem

The Expenditure Control Plan reflects some of the difficult decisions that Ontario must take in order to address its debt problem. These decisions represent a significant contribution to meeting the Government's deficit target for 1993-94. Meeting this target is essential if we are to prevent growing debt interest costs from cannibalizing the funds available in the future for investing in jobs and maintaining services.

There is more work to do. In March the Government showed that, without further action, the 1993-94 deficit would be almost \$17 billion. The Expenditure Control Plan reduces the potential deficit by \$2.4 billion. Further measures will be required in the coming weeks – through the Social Contract process and through revenue decisions - in order to keep the deficit under \$10 billion while cushioning the effect on jobs and services.

## A Continuing Challenge

Restructuring government programs and making government more efficient is a continuing challenge. The Expenditure Control Plan is a set of decisions on ways that we can start meeting this challenge, based on the principles and priorities set out in this document.

The plan marks a beginning, not an end. All Ontarians – who benefit from public services, who help pay for them, and in many cases who help provide them – are encouraged to offer further suggestions on how the Government can do a better job of providing important services more efficiently. If you have further comments or suggestions, please send them to:

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# **ONTARIO'S EXPENDITURE CONTROL PLAN**

## **APPENDIX MINISTRY PROFILES**



## MINISTRY

	1993/1994 Total Reductions (\$ Millions)
Ministry of Agriculture and Food	52.9
Ministry of the Attorney General	58.5
Cabinet Office	1.9
Office of the Lieutenant Governor *	0.0
Ministry of Citizenship	12.2
Ministry of Community and Social Services	313.3
Ministry of Consumer and Commercial Relations	2.7
Ministry of Culture, Tourism and Recreation	45.6
Ministry of Economic Development and Trade	58.0
Ministry of Education and Training	635.6
Ministry of Environment and Energy	66.1
Ministry of Finance	44.1
Office of Francophone Affairs	0.7
Ministry of Health	1,075.7
Ministry of Housing	132.8
Ministry of Labour	35.7
Management Board Secretariat	99.5
Ministry of Municipal Affairs	120.5
Ontario Native Affairs Secretariat	3.0
Ministry of Natural Resources	80.5
Ministry of Northern Development and Mines	14.5
Office of the Premier	0.4
Ministry of Intergovernmental Affairs	1.4
Ministry of the Solicitor General and Correctional Services	24.6
Ministry of Transportation	110.7
Ontario Women's Directorate	2.6
<b>Ministry Total</b>	<b>2,993.3</b>
Other Corporate Reductions	961.5
<b>Total Reductions</b>	<b>3,954.8</b>

\* Reduction of \$36,000

## MINISTRY OF AGRICULTURE AND FOOD

	1993/1994 Savings (\$ Millions)
<b>INITIATIVES</b>	
<b>Closure of Facilities - Agricultural Colleges/Veterinary Laboratories</b>	5.7
<ul style="list-style-type: none"><li>Two colleges of agricultural technology, Centralia in South-Western Ontario and New Liskeard in Northern Ontario, and the associated veterinary laboratories will be closed.</li></ul>	
<b>The University of Guelph Transfer Payment Reduction</b>	3.0
<ul style="list-style-type: none"><li>The transfer payment will be reduced by eliminating the extension and independent study components, and reducing the service component.</li></ul>	
<b>Freeze - Farm Tax Rebate</b>	7.1
<ul style="list-style-type: none"><li>The allocation for the Farm Tax Rebate Program will be frozen at the 1992-93 expenditure level of \$159 million.</li></ul>	
<b>Operational Streamlining</b>	10.5
<ul style="list-style-type: none"><li>Streamlining, delayering and reducing administrative costs to achieve greater efficiencies and savings. Actions include the elimination of the on-farm dairy inspection program (critical legislated elements of food safety to the dairy industry will still be provided).</li></ul>	
<b>Program Reductions</b>	26.6
<ul style="list-style-type: none"><li>Savings will be achieved in various ministry programs through measures including: the revision of a planned tobacco sector adjustment strategy to defer the producer exit component; reduction of grants to approved applicants for management and operational projects under the Land Stewardship II Program; restructuring of the Agricultural Investment Strategy; and changes to the grant payment structure in the Farm-Start program.</li></ul>	

# MINISTRY OF THE ATTORNEY GENERAL

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Focusing on Serious Crime

2.5

- Introduction of new policies to reduce the number of charges laid in minor matters, and implementation of a strategy to resolve many more charges before trials; reform of *Provincial Offences Act* (POA) to make court procedures more efficient.

### Reforming Legal Aid

26.6

- Costs will be managed in the legal aid system through the identification of efficiencies, significant new revenues including collection of outstanding liens, reduced costs from implementation of new approaches to court matters, and tighter discretion when providing legal aid for driving offences where a person's livelihood is not directly at risk.

### Efficiency and Delaying

10.9

- Downsizing and delaying of head office functions, including Criminal Law, Civil Law, Constitutional Law, Policy Development and Finance and Administrative Divisions.
- Base operating reductions of all program areas, including agencies, boards, and commissions.

### Courts Administration Efficiencies

13.8

- Administrative efficiencies involving the jury system, Family Support Plan inquiries, parking enforcement, and staff reductions in selected areas to absorb cost restraints.
- Phased introduction of new approaches to court reporting over three years with emphasis upon audio reporting and selected use of computer technology. This will both alter the role and reduce the number of court reporters.
- Absorbing costs involved in raising the Small Claims Court jurisdiction to \$6,000.00.

### Cost Effective Ways of Providing Civil Legal Services

3.9

- As a result of ministry mergers, fiscal restraint and reorganization within the Civil Law Division, there will be a reduction in the number of lawyers, directors and support staff across the Division.
- A reduction in the fees paid to outside lawyers retained to do government work.
- Moving some work currently done by outside counsel in-house, so that work can be done in a more efficient and integrated manner.

## MINISTRY OF THE ATTORNEY GENERAL

	1993/1994 Savings (\$ Millions)
<b>INITIATIVES</b>	
<b>Cost Effective Ways of Providing Customer Services</b>	0.3
<ul style="list-style-type: none"><li>• Implementing cost effective measures in providing customer services through the Legislative Counsel, maintaining the level of service while achieving savings.</li></ul>	
<b>Assessment Review Board</b>	0.5
<ul style="list-style-type: none"><li>• Merging a number of small regional offices in the Assessment Review Board to achieve operational efficiencies.</li></ul>	

## **CABINET OFFICE**

**1993/1994  
Savings  
(\$ Millions)**

### **INITIATIVES**

#### **Operational Streamlining**

**1.43**

- The Main Cabinet Office achieved operational savings through prioritization of activities and expenditures, and streamlining of processes through reorganization. The Premier's Councils achieved greater economies and value for money through such initiatives as enhanced partnerships, reduced travel expenditures, smart meeting scheduling and reduced costs of externally commissioned work.

#### **Efficiency And Delayering**

**0.48**

- The Main Cabinet Office reduced senior staff in February 1993 as part of an over-all delayering initiative.
- The reorganization and integration of previously separate secretariats of the two Premier's Councils will result in a flatter and smaller organization.

## **OFFICE OF THE LIEUTENANT GOVERNOR**

**1993/1994  
Savings  
(\$ Millions)**

### **Initiatives**

Operational savings achieved through streamlining processes and reduction in hospitality expenditures.

**0.036**

## MINISTRY OF CITIZENSHIP

1993/1994  
Savings  
(\$ Millions)

### INITIATIVES

#### Operating Efficiencies

3.88

- Savings through operating efficiencies; for example, research funds from across the Ministry will be pooled and reduced, and overhead and public education funds will be reduced.

#### Transfer Payment Programs

3.21

- Reductions in ministry grants primarily affecting grants to government ministries for demonstration projects. Grants to community groups will be largely maintained.
- Delivery of grants to external groups will be streamlined over the course of this year, and an integrated grants system will be implemented in 1994/1995.

#### Boards of Inquiry Office

0.03

- Support services to the Boards of Inquiry Office will be rationalized with those of the Pay Equity Tribunal Office. These two offices are already co-located and this administrative rationalization will make better use of limited resources.

#### Advisory Councils

0.29

- The Ministry's three advisory councils will share staff positions and other resources. Through harmonizing staff positions, there will be greater opportunity for the three councils to complement each other's work.

#### Field Offices

0.19

- Some field office locations will be consolidated while ensuring that the Ministry is able to serve its clients in the areas where they are concentrated.

#### Partnerships

0.3

- The Ministry of Citizenship will pursue partnerships with the private sector, where appropriate. For example, in 1993/1994, the Ministry intends to secure private-sector assistance to produce certain publications.

#### Cashflow Adjustment

2.3

- The cash flow requirement for 1993/1994 for implementation of the Advocacy Act is \$2.3 million less than originally anticipated.

#### Streamlining Positions

1.95

- Streamlining will be achieved through reviewing the Ministry's current staffing.

# MINISTRY OF CITIZENSHIP

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Ministry Realignment

- The Ministry is undertaking a review of its functions and organization, in order to ensure that there is reduced duplication, better co-ordination, improved customer service and better use of the Ministry's resources.
  - Through the Ministry review, specialist functions and positions will be retained and strengthened, to ensure that the Ministry retains its expertise in important equity areas.
  - The review is expected to assist the Ministry in identifying savings for 1994/1995.
- 
- All the above measures will allow the Ministry to maintain the government's priorities in employment equity, implementation of advocacy legislation, anti-racism initiatives, access to professions and trades, support for Aboriginal community development and on-going support to the Ontario Human Rights Commission.

# MINISTRY OF COMMUNITY AND SOCIAL SERVICES

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### *Social Assistance*

#### **Caseload and Program Management**

173.8

- MCSS will take a number of steps to improve caseload and program management of the social assistance program, which had expenditures of \$6.15 billion in 1992/1993. Measures include in-depth review of case files to ensure eligibility and accurate benefit levels. Cases where there has been a sponsorship breakdown will be reviewed. There will be a limit placed on retroactive payments.
- Some special benefits will be eliminated or reduced. Measures include: limiting funding of home repairs to emergency situations only; discontinuing payments for life insurance premiums and limiting moving expenses to essential moves.
- Benefits may be reduced or cancelled for young recipients where parents have a legal obligation to support them. In addition, the Ministry will work with parents whose children are over 12 to help them prepare to enter the workforce.
- Under the Supports to Employment Program, social assistance recipients who work are able to deduct a flat rate exemption from their net employment income and, as a result, are able to keep a significant portion of the income they earn. This exemption will be maintained at a reduced level. All recipients will still be better off working than simply receiving assistance.
- In calculating benefits, other financial resources recipients may have, will be taken into account. Examples include interest earned on liquid assets, build-up in home equity and income from boarder payments.
- The ministry expects savings from social assistance recipients moving into new non-profit housing units as these units come on stream. The Ministry will move to introduce regionally variable shelter ceilings.

#### **Transfer Payments**

66.6

- No increase in transfer payments to social service agencies.
- The Ministry will review and restructure employment and counselling services.

#### **Children's Services**

9.9

- Funding for the Institute for the Prevention of Child Abuse will be phased out and partially re-invested for training for staff of ministry-funded children's services. Funding for services such as consultations and training provided by psychiatrists will be reduced.
- MCSS will require agencies to collect the Children's Special Allowance from the federal government. Parental contributions, based on ability to pay, will be implemented for certain children's services.

## MINISTRY OF COMMUNITY AND SOCIAL SERVICES

	1993/1994 Savings (\$ Millions)
<b>INITIATIVES</b>	
<b>Child Care Fee Subsidies</b>	11.2
<ul style="list-style-type: none"><li>• MCSS will meet its commitment to new fee subsidies in child care spaces under the <i>jobsOntarioTraining</i> program. Delivery of these subsidies will take until 1995-1996. Due to vacancies in existing child care spaces, the Ministry will not need to build the number of new spaces previously forecast.</li></ul>	
<b>Efficiency</b>	4.5
<ul style="list-style-type: none"><li>• Efficiency will be improved in the delivery of social assistance by:<ul style="list-style-type: none"><li>— mandatory direct deposit of cheques into the recipient's bank account</li><li>— monthly reporting of income by recipients</li><li>— reduction in the number of forms to administer the program</li></ul></li></ul>	
<b>Closure of Facilities</b>	18.8
<ul style="list-style-type: none"><li>• The Oxford Regional Centre will be closed in 1996. Resources will be provided to continue moving toward community placements for people with developmental disabilities.</li><li>• Certain facilities will also see a reduction in staffing in line with the movements of residents into the community.</li></ul>	
<b>Operational Streamlining</b>	28.5
<ul style="list-style-type: none"><li>• The ministry has announced a significant re-structuring, layering and streamlining of its corporate and field operations. The four MCSS regional offices will be closed by April 1994.</li><li>• MCSS will absorb increases in salaries and wages. It will also adopt a number of economies in administration and management practices.</li><li>• In total, ministry administration costs, excluding directly-operated facilities, will be reduced by 10% over the next three years.</li></ul>	

## MINISTRY OF CONSUMER AND COMMERCIAL RELATIONS

1993/1994  
Savings  
(\$ Millions)

### INITIATIVES

#### *Operational Streamlining*

##### **On-Line Registration**

0.8

- Increase direct on-line registration of information into the PPSR database by clients (mainly financial institutions).

##### **First Application and Certification of Title**

0.6

- Eliminate specialized First Application and Certification of Title process in Real Property Registration and replace with a one-step, locally delivered service with greater user involvement.

##### **Reduction in Contract Staff**

0.1

- Eliminate short-term contracts in various functions including the Corporate Services Division, Business Practices Division and Information Technology Division.

##### **Reduction of Ministry Administrative Staff**

0.4

- Reduce administrative and professional services in corporate areas of the ministry.

##### **Defer Filling Vacancies Upon Retirement**

0.1

- Positions in Business Practices Division will be deferred when incumbents retire.

#### *Efficiency and Delaying*

##### **Client Self-Service—Companies Branch**

0.2

- Introduce client self service in the companies Branch.

##### **Re-Engineer Technical Standards Division**

0.5

- Re-engineer the Technical Standards Division by centralizing division administration, reducing program management and increasing inspection resources.

# MINISTRY OF CULTURE, TOURISM AND RECREATION

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### *Government Integration\**

#### Administration Integration

11.1

- Savings are achieved from the consolidating of corporate services (finance, audit, administrative services, etc.), the elimination of duplicate functions, downsizing and delayering. Reductions relate to the integration of the former Ministry of Culture and Communications and Ministry of Tourism and Recreation to form the new Ministry of Culture, Tourism and Recreation. (\$4.2 million)
- Ministry operational savings are achieved from streamlining of field offices, policy operations and other operating costs. Field office locations will be rationalized in the context of the new integrated Ministry's programs. (\$6.9 million)

#### Salary Revisions and Cost Escalation

7.1

- Savings are achieved from the reduction of funding to address inflation impacts on transfer payments and operating costs.

### *Operational Streamlining*

#### Agencies and Attractions

6.9

- Funding is reduced for specific agencies and attractions, including: Old Fort William (\$0.2 million), Huronia Historical Parks (\$0.2 million), St. Lawrence Parks Commission (\$1.0 million), Ontario Trillium Foundation (\$0.2 million), Thunder Bay Ski Jumps (\$0.25 million), St. Clair Parkway Commission (\$0.47 million), Ontario Film Development Corporation (\$0.23 million), Ontario Science Centre (\$1.5 million), TVOntario (\$1.23 million), Royal Ontario Museum (\$0.44 million), Science North (\$0.1 million), Archives (\$0.2 million), project grant funding (\$0.7 million) and the Ontario Historical Study Series (\$0.2 million).

#### Culture

4.9

- Reductions in culture support programs affect publishing assistance grants (\$1.0 million), culture support project grants (\$3.0 million), ministry operations (\$0.5 million), Ontario House offices in Paris, London and New York (\$0.3 million), and the National Theatre School (\$0.1 million).

#### Recreation

9.8

- Reductions in support of sports and recreational programs include grants to both municipalities and organizations.

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\* also includes measures relating to efficiency and delayering.

# MINISTRY OF CULTURE, TOURISM AND RECREATION

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Tourism

5.8

- Efficiency gains result in savings in advertising, marketing, and the elimination of seven international offices: Tokyo, Frankfurt, London, Paris, Boston, Chicago and New York.

# MINISTRY OF ECONOMIC DEVELOPMENT AND TRADE

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### International Offices

10.0

- Today's economic realities demand a new, more focused approach to trade and investment activities. MEDT will continue to work in conjunction with the federal government to achieve our objectives of increased trade, investment retention and attraction.
- In accordance with a new approach to international activities, Ontario's international offices will be closed. Trade and investment opportunities worldwide will be pursued from Ontario. Partnerships with other governments and the private sector will be central to new trade and investment initiatives.
- Within Ontario, MEDT will concentrate on assisting firms to become export ready by providing training, information on foreign business practices and market opportunities, and by strengthening domestic and international linkages.
- International support will be highly focused both on firms with the greatest export potential and through improving commercial intelligence on real investment opportunities. MEDT will aggressively pursue new investments by building collaborative arrangements and information networks with the private sector, including banks and accounting firms, as well as international business associations.

### Refocusing MEDT Activities

12.4

- Other measures include the tightening of criteria on loan and grant program expenditures as well as a focusing our programs with a new emphasis on developing sectoral relationships. As part of the government's refocusing of its activities, some targeted support for specific sectors will be funded from the Sector Partnership Fund.

### Operational Streamlining and Delayering

5.1

- Operating expenditure reductions will result from efficiencies in the change of the ministry structure to a more flexible, responsive and customer service oriented organization.

### Sector Partnership Fund (SPF)

25.0

- The Sector Partnership Fund, a \$150 million program to support cooperative activities among industries, has been extended from a three-year program to a five-year program.

## MINISTRY OF ECONOMIC DEVELOPMENT AND TRADE

1993/1994  
Savings  
(\$ Millions)

### INITIATIVES

#### Technology Ontario

6.0

- Annual funding will be reduced through a combination of program reductions to the Centres of Excellence and Industry Research Program as well as the reallocation of resources to other projects.
- In the case of the Centres of Excellence, the savings will be achieved with a minimum impact on the research programs and technology transfer. There will continue to be a strong commitment to the Centres of Excellence.

# MINISTRY OF EDUCATION AND TRAINING

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Ministry Integration/Reorganization/Streamlining/Cash and Constraint Management

47

- Integration of the former Ministries of Education, Skills Development, Colleges and Universities, the OTAB Project and **jobsOntarioTraining** into the new Ministry of Education and Training will result in a total annualized saving of \$32 million plus untargeted cash flow management and expenditure deferrals of up to \$15 million.

### *Department of Education*

#### School Board Operating Grants

##### Definition of Full-Time Student

30.7

- The definition of a full-time student (for grant purposes) changes from 150 minutes a day to 210 minutes a day. Tighter grant regulations will achieve more cost effectiveness, primarily affecting the secondary level.

#### Education Technology

24

- Restrictions on school board purchases of educational microcomputers will be modified to allow for lower-cost alternatives. More flexibility will be given to school boards to acquire educational software.

#### Portables

12.0

- The purchase of portable classrooms will be funded exclusively through capital budgets. Pressure on capital budgets may result in the purchase of fewer portables and a more efficient use of school space.

#### Continuing Education

9.1

- Tighter grant regulations will achieve more cost-effectiveness in continuing education programs. Specifically this involves eliminating the funding for part credits, elementary summer school (except for the developmentally delayed) and the in-school portion of driver education.
- Funding for literacy programs has been consolidated within the Literacy Branch of the Ministry of Education and Training to provide for more cost-effective delivery of these programs.

#### Declining Enrolment Grant

0

- Grant assistance to school boards to manage declining enrolment will be provided for one year instead of two years. No savings this year.

#### Transportation

21.0

- Grants for pupil transportation have already been reduced for 1993.

# MINISTRY OF EDUCATION AND TRAINING

	1993/1994 Savings (\$ Millions)
<b>INITIATIVES</b>	
<b>School Board Restructuring Fund</b>	69.6
<ul style="list-style-type: none"> <li>The one-time funds previously allocated to school boards to assist in the restructuring of their operations are being reduced. This measure will affect the 1993-1994 budget year. Impact on positions is not yet determined.</li> <li>Transition Assistance Funding of \$27.3 million held over from 1992-1993 will be reduced by \$15.6 million.</li> </ul>	
<b>Cash Flow to School Boards</b>	130
<ul style="list-style-type: none"> <li>Beginning in 1994, payments to school boards in the first three months of the calendar year will be reduced from 17% to 14.5% of their annual entitlement. This will not reduce the board's total annual entitlement.</li> </ul>	
<b>Other</b>	1.5
<ul style="list-style-type: none"> <li>Special Project Funding including the research grant to OISE will be reduced over a three year period and 1993/1994 savings of \$1.0 million for Ministry of Education and Training and \$0.5 million for OISE will be achieved.</li> </ul>	
<i>Department of Colleges and Universities</i>	
<b>Restructuring Allocation</b>	31
<ul style="list-style-type: none"> <li>The restructuring allocation has been reduced from \$56 million to \$25 million, a saving of \$31 million. The remaining funding will be focussed on maintaining enrolment levels in colleges and universities and in keeping targeted restructuring activity. Reductions have been made to the following programs - restructuring for efficiency, externships, open learning and the restructuring committee allocations.</li> </ul>	
<b>University Research Incentive Fund</b>	3
<ul style="list-style-type: none"> <li>New program starts under URIF will not be approved in the 1993/1994 fiscal year. Pre-committed funding support for URIF projects announced prior to April 1, 1992 will be honoured.</li> </ul>	
<b>Additional Qualification Courses for Teachers</b>	5.9
<ul style="list-style-type: none"> <li>Funding support to ten universities for enrolments for additional qualification courses for teachers will be phased-out over four years. There will be a 10% reduction in 1993/1994. Universities may continue to offer these courses on a cost recovery basis.</li> </ul>	
<b>Base Operating Grant Adjustments</b>	22
<ul style="list-style-type: none"> <li>General (untargeted) operating grants for colleges and universities will also be reduced by a total of \$22 million (0.8%) in 1993/1994.</li> </ul>	
<b>Expenditure Deferrals</b>	30
<ul style="list-style-type: none"> <li>Approximately \$30 million in planned expenditures for 1993/1994 will be deferred until next year.</li> </ul>	

# MINISTRY OF EDUCATION AND TRAINING

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Ontario Student Assistance Program

178

- Program changes previously announced in November 1992 will result in a reduction of \$178 million in 1993/1994 (with decreasing savings in future years) related to the conversion of the program from grants-based to loans-based.

### University of Toronto — UTS

0

- Funding support of \$1.3 million annually which helps defray the costs of operating the University of Toronto Schools at the University of Toronto's Faculty of Education will be eliminated. The elimination will come into effect in 1994/1995 in order to provide advance notice to the university to enable it to arrange alternate funding.

### Teacher Summer Bursary Program

0

- This program will be eliminated starting in the summer of 1994 for a savings of \$595,000.

## *Department of Skills Development*

### Training Programs

16.5

- Some individual training programs such as Technicians and Technologists and Trades Updating Programs, the Apprentice Tool Fund and Traineeships are being phased out to concentrate resources on delivering priority programs and services. Further savings will be achieved through reductions in funding for Ontario Skills.

### The Ontario Training Corporation

4.3

- The Ontario Training Corporation will be wound down over 2 years beginning in 1993/1994. The Investment Portfolio will be transferred to the Ontario Development Corporation.

# MINISTRY OF ENVIRONMENT AND ENERGY

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Outside Professional Services and Special Studies

17.0

- Reductions will be achieved in a variety of ways including:
  - phasing-in and, in some cases, eliminating scientific and technical research, and socio-economic analyses as programs are developed and implemented
  - the slowing down of the development of automated databases
  - the reduction of data gathering to support such matters as guideline development
  - savings from integrating economic analytical research and studies

### Transfer Programs

11.7

- The Ministry works with a variety of partners including municipalities, community organizations and industries to deliver its environmental and energy programs. There will be a reduction in non-capital transfer payments to clients across all sectors. Reductions will be achieved through such measures as the slowing down and redesign of initiatives in the areas of waste reduction, industrial audits and retrofits that support new energy efficient technologies.

### Communications and Advertising

4.8

- Reductions will be achieved by:
  - eliminating the two major public information/advertising campaigns on waste reduction and energy conservation.
  - savings flowing from the integration of the two former ministries' communications areas.
  - an overall reduction of printed material and decrease in the frequency of publications

### Site Remediation

7.0

- The clean-up and restoration of past pollution problems at various sites will be phased-in over a longer period of time.

### Agencies, Boards and Commissions

3.0

- There are a number of Agencies, Boards and Commissions which undertake research, special projects and provide advice to the Minister on a variety of issues. A reductions in expenditures will be achieved through the sunseting of some agencies like the Hydro Hearing Panel and the downsizing of certain numbers of Agencies, Boards, and Commissions.

## MINISTRY OF ENVIRONMENT AND ENERGY

1993/1994  
Savings  
(\$ Millions)

### INITIATIVES

#### The Ontario Waste Management Corporation

8.1

- The completion of the major phases in the hearings has resulted in further savings of \$8.1 million.

#### Travel

2.0

- The ministry will reduce all travel except that which directly supports its delivery of regulatory programs and responses to environmental concerns.

#### Government Integration

2.7

- Reductions will be achieved mostly through the use of voluntary exit programs, attrition, vacancies, and management of contract positions. These result in the integration of similar services within the two former ministries.

#### Computer Acquisitions

3.5

- The Ministry will reduce and phase-in the implementation of new technology and systems modifications as well as reduce purchases of new hardware and software.

#### Efficiency Savings

6.3

- Additional cost savings will be achieved through reductions in equipment acquisitions such as furniture and vehicles, staff training and overall administrative efficiencies.

## MINISTRY OF FINANCE

1993/1994  
Savings  
(\$ Millions)

### INITIATIVES

#### Measures with Significant External Impact

8.4

- Phase out the Small Business Development Corporation (SBDC) and Employee Share Ownership Plan (ESOP) Programs.
  - The SBDC and ESOP programs will be phased out over a five-year period. The SBDC program provides grants to investors and tax credits to corporate investors. The ESOP program allows employees of small- and medium-sized corporations to purchase shares newly issued by their employees by providing grants to employees. This represents savings comprised primarily of grants and some other operating expenses.

#### Measures with Significant Internal Impact

- Operational Streamlining and Other Efficiencies 25.2
  - The ministry will reduce its base-operating expenditure through retirements, delayering, restrictions on expenditures, not filling vacancies, cash flow measures, and other one-time savings. Constraints will be generally applied to replacement purchases of information technology, supplies and equipment, vehicles, travel and staff vacancies.
- Ministry Integration Savings 9.9
  - With the merger of the three ministries (Financial Institutions, Treasury and Economics, and Revenue) savings result from the amalgamation of corporate services functions common to three ministries and the commissions (Ontario Insurance Commission, the Ontario Securities Commission, and the Pension Commission of Ontario) reporting to Financial Institutions. Areas in common to the three ministries include such examples as human resources, communications, financial services and legal services.

## OFFICE OF FRANCOPHONE AFFAIRS

1993/1994  
Savings  
(\$ Millions)

### INITIATIVES

- Elimination of vacant position of Complaints Officer. The duties of the position will be reviewed and service will be offered by other staff members. 0.04
- Reduction in communication expenditures. All mass media advertising will be replaced by targeted contact with clients and groups with some community media activity. Multiple partnerships will be developed to reduce customer service impacts. 0.45
- Reduction in transfer payment grants from the Community Support Fund. The government's priorities and the strategic plan of the Office will be used as criteria for the determination of grants to community groups. Multiple partnerships will be used to minimize impact of reduction. 0.24

# MINISTRY OF HEALTH

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Payment to Physicians

275

- The Ministry of Health has developed a menu of reduction initiatives to achieve \$275 million in savings. These will be negotiated with the Ontario Medical Association where appropriate, and include differential physician payment rates, restriction of foreign medical graduates, termination of malpractice assistance for physicians (Canadian Medical Protective Association), withdrawal of older physicians from practice, and changes to the Schedule of Benefits.

### Other Medical Services

150

- Negotiations with the Ontario Association of Medical Laboratories will begin immediately, with the objective of containing expenditures for commercial laboratories.
- Ophthalmologists and optometrists: there will be a limit of one eye examination per person, per year.
- Other physicians: restrictions will be placed on OHIP billings by physicians employed by the Ontario government and other reductions will be targeted from alternative payment programs.
- Out-of-Country: the ministry intends to implement a prior approval process for residents seeking non-emergency/elective medical services outside Canada.
- OHIP eligibility: the ministry intends to discontinue OHIP coverage for temporary residents. Refugee claimants are a federal responsibility. Ontario will pursue this with the federal government as have other provinces. The ministry will implement a three-month waiting period for all new registrants and returning residents.
- Medical schools, medical students and other health trainees: the ministry is also proposing several reductions to the medical education budget to correspond with the approved reduction in the number of post-graduate medical trainees.

### Other Measures

25

- A number of other ministry programs will be reduced to reflect tighter management control and accountability, e.g. assistive devices and research grants programs. The Northern Health Travel Grant program will be realigned to provide funding for patients to receive the nearest appropriate specialty care.

# MINISTRY OF HEALTH

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Population Health and Community Services System

100

- Population Health and Community Services will continue to grow but at a restrained rate. Services include Public Health, Emergency Health Services, Community Health Centres and Long-Term Care.
- Long-Term Care will proceed as announced, with expenditures adjusted to reflect the need for the development and approval of community implementation plans.

### Streamlining

150

- Streamlining and cost-avoidance measures will result in savings of over \$150 million. These include elimination of interim payments to physicians, tighter control on health cards (i.e. version codes) to reduce inappropriate access to health care by ineligible persons, monitoring and control of transfer payment programs, downsizing of ministry operations and psychiatric hospitals and rationalization of systems contracts (elimination of contracting out).

### Hospitals

160

- The Ministry of Health proposes to reduce a \$149 million one-time allocation to \$49 million for 1993/1994. A further \$60 million reduction is planned, comprising \$50 million from the Ministry of Health base and \$10 million representing the elimination of the Hospital Incentive Fund (HIF) allocation.
- Forty-nine million dollars remains, consisting of \$37 million for a one-time 0.5 per cent increase in service protection funding to all hospitals, an additional \$12 million for small and chronic hospitals and Quick Response Teams.

### Related Facilities

16

- The ministry will reduce funding for private hospitals and some specialized treatment centres.

### Ontario Drug Benefit Program

195

- Reform of the Ontario Drug Benefit Program will include reform of pharmacy services, prescribing guidelines, management of nutritional products and over-the-counter products, pricing and cost sharing.

# MINISTRY OF HOUSING

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Rent Geared to Income — Program Changes

- Increase Rent-Geared-To-Income (RGI) ratio which is currently 25% of income by 1% each year to a level of 30% of income for all RGI tenants by 1998. 3.6  
Social assistance recipients will not be affected by the rent increases, but other RGI tenants will experience a 4% increase in their rents in each of the next five years, starting at the time of their next lease renewal.  
At the earliest, current RGI tenants will be affected in the fall of 1993, while those with later renewals will not be affected until late 1994. (\$0.560 million)
- Not proceed with a planned program to fund an additional 500 rent-geared-to-income units in older non-profit and co-operative housing projects. These funds have not been announced or allocated. (\$3.0 million)

### Renegotiate Rent Supplement Agreements

5

- The rent supplement portfolio will achieve major savings through re-negotiating agreements, and not renewing some agreements with landlords for rent supplement units funded unilaterally by the province. However, tenants who remain in these units will continue to receive subsidy until they vacate the units.  
As well, the province will not deliver any new rent supplement units unilaterally funded by the province, but will continue to deliver new cost shared rent supplement units with its federal partner.

### Phase Delivery of jobsOntarioHomes Program

12.50

- A shift in the delivery timetable of the jobsOntarioHomes program. Two thousand units have already been allocated. The allocation of the remaining 18,000 units will occur over a two-year period, beginning in November, 1993.

### Mortgage Refinancing

71

- Financial management measures—the ministry will adopt a more proactive approach to mortgage financing for Social Housing, including re-negotiation of existing mortgages for non-profit and co-operative projects and of debentures for Ontario Housing Corporation.

### Efficiency and Delayering

23.5

- Fuel switching—funds from the jobsOntarioCapital program are being used to replace inefficient heating systems in social housing projects across the province. Units will be switched from electric to gas heating which is two to three times less expensive. (\$3.1 million)
- Recovery of surplus funds in non-profit operating budgets. (\$16 million)
- Reduction in replacement reserve contributions by 10% for non-profit projects, starting in 1994/1995. The Ministry will change the method and scheduling of its contributions for replacing and upgrading projects. Significant savings will result in future years.

# MINISTRY OF HOUSING

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

- More consistent non-heating utility charges for all social housing tenants and a special charge for tenants with air conditioners to encourage energy conservation will be implemented. (\$4.4 million)

### Operational Streamlining

17.4

- The ministry's seven small transfer payment programs will be amalgamated into a somewhat smaller program. These grant programs support local services by community based groups (homesharing, access to permanent housing agencies, and tenant education projects) and advocacy organizations. Savings will result in future years.
- Non-Profit Housing Operating Subsidies—significant expenditure constraints began last year for non-profit agencies. Transfers to non-profit and co-operative housing agencies will be held to 0% for 1993/1994. (\$6 million)
- The Ministry will be streamlining operations. This will include the consolidation of the two field structures resulting in 3 fewer regional offices. (\$5 million)
- Across-the-board 1% reduction of Ontario Housing Corporation (OHC) public housing operating subsidies. OHC will review how it does business (for example, applicant home visits, tenant transfers, annual income verification) in order to streamline business practices and achieve more efficient service delivery throughout the portfolio. (\$1.5 million)
- OHC has 1400 scattered units (of an 84,000 unit portfolio) that take more time to manage. 40 single and double units will be sold in 1993/1994. An additional 160 units will be sold over the following two years. (\$4.92 million)

## MINISTRY OF LABOUR

1993/1994  
Savings  
(\$ Millions)

### INITIATIVES

- There is a reduction in non-front line services, policy, and program administrative support. 12.9
- There is a reduction in the operating base of areas providing front-line service, including health and safety, employment standards, labour relations services and pay equity. 6.9
- While transfer payments have been reduced, every effort has been made to ensure the labour adjustment programs and transfer payments will continue to be adequately funded. These programs include the Program for Older Workers, ISPOW, the Wage Protection Program, Transitions, Help Centres and Labour Adjustment Committees. In some cases, direct grants made by the Ministry of Labour will be reduced. 16.0

## MANAGEMENT BOARD SECRETARIAT

	1993/1994 Savings (\$ Millions)
<b>INITIATIVES</b>	
<b>Reductions to General Program Funding</b>	21.0
<ul style="list-style-type: none"><li>• General funding reductions totalling \$21 million were identified. Some examples include no provision of cost escalation, reduced funding for corporate communication activities, and refocusing of incentive funding for new greening projects within the OPS.</li></ul>	
<b>Major Program Savings</b>	59.6
<ul style="list-style-type: none"><li>• Major program savings of \$60 million have been identified, through consolidation and renewals in Leasing and Reductions of Repairs and Maintenance to Buildings and other measures.</li></ul>	
<b>Government Integration</b>	4.3
<ul style="list-style-type: none"><li>• The integration of the former Ministry of Government Services and the old Management Board Secretariat will provide \$4.3 million in savings. This will be achieved through elimination of duplication, layering and downsizing.</li></ul>	
<b>Efficiency and Delaying</b>	14.0
<ul style="list-style-type: none"><li>• Approximately \$14 million will be saved through organizational restructuring and re-engineering and management streamlining.</li></ul>	
<b>Program Eliminations</b>	0.6
<ul style="list-style-type: none"><li>• The following programs have been identified for elimination:<ul style="list-style-type: none"><li>– Executive Payroll System</li><li>– Medical Consulting</li><li>– Employee Volunteer Program</li><li>– DEC Technical Support Services</li><li>– Education Services (Information Technology)</li></ul></li></ul>	

## MINISTRY OF MUNICIPAL AFFAIRS

INITIATIVES	1993/1994 Savings (\$ Millions)
<b>Reduction in Unconditional Grants</b>	110.79
<ul style="list-style-type: none"> <li>Reduction of provincial unconditional grants to municipalities. The dollar impact, province-wide, of this reduction will equal approximately 2% of municipal budgets.</li> </ul>	
<b>Operational Streamlining</b>	3.68
<ul style="list-style-type: none"> <li>Reduction in expenditures on consulting services, computers, travel and publications.</li> <li>The programs and functions of several organizational units will be merged.</li> </ul>	
<b>Reduction in Other Transfer Payments to Municipalities</b>	6.04
<ul style="list-style-type: none"> <li>Reduction in Special Assistance Grants by \$1.81 million. This program is used to offset unforeseen impacts on municipalities. New demands on the program will be managed through cashflow to optimize the assistance to municipalities in need while staying within the allocation available.</li> <li>Reduction of <i>Municipal Tax Assistance Act</i> Payments and Payments for Tenanted Provincial Properties by \$1.964 million. These programs provide payments-in-lieu of municipal property taxes to municipalities for properties owned by the Provincial government.</li> <li>Reduction of Community Planning Grants by \$0.75 million. The funds in this program will now be used for economic development initiatives, such as strategic planning for municipalities.</li> <li>Reduction of Municipal Education and Training Grants by \$0.8 million. Reductions will result in refocussed support for education and training initiatives.</li> <li>Reduction of Disaster Relief Assistance to Victims by \$0.297 million. This grant provides assistance in situations where a natural disaster occurs.</li> <li>Reduction of Assistance Under the <i>Assessment Act</i> by \$0.1 million. Assistance provided to municipalities for revenue as a result of the lowering of the assessment rate on distilleries in 1989. The assistance is being phased down over a five-year period.</li> <li>Reduction of Other Transactions (net interest payments) by \$0.32 million. MMA pays the interest on certain loans outstanding to municipalities. As the loans are repaid, and sometimes repaid early, the requirement for this grant diminishes accordingly.</li> </ul>	

# ONTARIO NATIVE AFFAIRS SECRETARIAT

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### **Efficiency, Delaying and Streamlining**

3.0

- Reduction of operating costs through additional efficiencies and reduction of discretionary funding available for transfer payment purposes.
- Across government, Aboriginal specific programs will be maintained although Aboriginal people may be affected by cuts to programs of general application and other expenditure reductions that affect all Ontarians.

# MINISTRY OF NATURAL RESOURCES

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### *Program Elimination*

#### **Managed Forest Tax Rebate Program**

1.7

- This rebate program for rural landowners is being eliminated for the 1992 tax years with proviso that outstanding claims for tax years 1990 and 1991 would be paid.

#### **Forest Health Grants**

1.0

- These grants to Municipalities will be deferred for 2 years and reviewed at that time. These grants accomplished public information programs for managing Gypsy Moth infestation mainly on private land.

#### **Eliminate Huntsville Engineering Depot**

- This installation provides in-house tactical engineering response capability to deal with emergency situations, ongoing physical plant maintenance and Muskoka Lake system navigation infrastructure. The reduction is in Capital. A partnership with the Coast Guard will be discontinued.

### *Facilities Closures*

#### **Reversal of MNR Relocation to Haileybury**

5.4

- Plans called for 200 positions to be relocated to a new government building in Haileybury. Employees already located in Haileybury will be relocated.

#### **Reduce Number of Ministry Field Locations**

0.4

- This plan will eliminate 25 locations across the province. Sites to be determined. Staff will be consolidated and work out of alternate existing locations.

### *Major Program Savings*

#### **Conservation Land Tax Rebate Program**

3.6

- This tax rebate program for rural landowners will be reduced by 50% in 1993/1994. The plan is to pay outstanding 1992 rebates to Conservation Authorities and private landowners with the remaining program redirected at private landowners only, at the 100% rebate rate.

#### **Zebra Mussels**

1.5

- Program will be reduced and refocused on research and the boat wash partnership.

#### **Information Resources Operating Expenditures**

3.6

- Reductions to the Ontario Base Mapping, Remote Sensing Systems Development and telecommunication network. Existing targets will be delayed.

# MINISTRY OF NATURAL RESOURCES

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Reduce Expenditures on Communication/Travel Consultation/Vehicles/Leased Assets

5.0

- Savings will impact all MNR programs and a portion of this target will be directed at reducing communications i.e. publications/advertising/technical publications and communications services from district offices.

### General Ministry Pressure

10.4

- Targeted project reductions in the following program areas: Information Resource and Policy/Operations/Resources Management and Protection and Recreational Operations.

### Maintenance and Repair of Fixed Assets

1.4

- Reduction on maintenance expenditures for buildings, land, engineered structures, furniture and equipment.

### Crown Forest Renewal

13.1

- \$13.06 million for Crown Forest renewal will be offset from the capital allocation. There will be no reduction in forest silviculture deliverables.

### Reduction in Forest Chemical Herbicide Spraying

3.0

- A reduction in aerial spraying focusing the program toward the new analysis on silviculture and reducing the reliance and chemicals to release the new forest crop. This is consistent with the goals of sustainable forestry and the environmental assessment terms and conditions.

### *Efficiency and Delaying*

#### Funded Vacancies

1.0

- Delete funded vacancies in the Ministry Information Resources, Policy and Administrative support programs. Increased workloads for existing staff will dictate realignment of processes and work.

#### Greater Toronto Area Branch Office

0.1

- The integration of the work of the branch into the existing MNR's Southern Region Office. This will delay completion of an Oak Ridges Moraine technical report and G.I.S. for municipality will be delayed.

#### Organizational Adjustment/Headquarters/Operations Reductions

17.1

- Streamlining the Ministry organizational structure, delaying of management levels, increasing spans of control and downsizing main office operations. This reduction to streamline the business practice and reduce staffing levels will have major operational and service implications.

#### Reduce Grants to Conservation Authorities

5.0

- The operational grants to 38 Conservation Authorities will be reduced. This will result in job and program reductions for each Conservation Authority and may precipitate rationalization.

## MINISTRY OF NATURAL RESOURCES

1993/1994  
Savings  
(\$ Millions)

### INITIATIVES

#### Reduce Base Fire Fighting Program

2.1

- Reducing management training and outreach functions. There are no impacts on public health and safety. Factored into 1993-94 work plan.

#### Ministry Wide Staff/Salaries Rationalization

5.0

- Employee Early Retirement Program.
- General reduction of salary account allocations across all programs.

# MINISTRY OF NORTHERN DEVELOPMENT AND MINES

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Transportation

2.8

- The Ontario Northland Transportation Commission (ONTC) will take steps necessary to reduce government subsidization costs.
- These measures include the privatization of certain air services in Northwestern Ontario, and rail fare increases.

### Relocation

1.0

- The proposed Mine Reclamation Centre in Elliot Lake (part of the government's Relocation Program) will not proceed. The Ministry will continue to work with local officials to explore alternative sources of job creation.

### Program Reductions

5.6

- The Ministry will selectively reduce program areas. These will include elimination of certain grants, inspections and services and the closure of the Temiskaming Testing Laboratory.
- Resulting client service demands will shift to the remainder of Ministry staff and every effort will be made to maintain established customer service.

### Organizational Streamlining

5.1

- This will be accomplished through a combination of early retirements, the downsizing of corporate Head Office functions, and selected reductions in field office operations.
- Resulting client service demands will shift to the remainder of Ministry staff and every effort will be made to maintain established customer service.

## OFFICE OF THE PREMIER

		1993/1994 Savings (\$ Millions)
<b>INITIATIVES</b>		
<b>Efficiency and Delaying</b>		0.26
<ul style="list-style-type: none"><li>The Office of the Premier plans to reduce staff in 1993/1994 as part of an over-all streamlining and delaying initiative.</li></ul>		
<b>Operational Streamlining</b>		0.11
<ul style="list-style-type: none"><li>A number of initiatives were implemented in the second half of 1992/1993 that will result in cost-savings in 1993/1994, including:<ul style="list-style-type: none"><li>prioritization of meeting, travel and travel-related expenditures;</li><li>greater efficiencies in use of courier services and purchases of basic office supplies and services; and,</li><li>increased utilization of information technology in such areas as computer networks and voice-messaging to reduce delivery and document production costs.</li></ul></li></ul>		

## MINISTRY OF INTERGOVERNMENTAL AFFAIRS

		1993/1994 Savings (\$ Millions)
<b>INITIATIVES</b>		
<ul style="list-style-type: none"><li>Reduction in spending on travel, supplies and equipment, external consulting services and direct operating spending.</li></ul>		0.95
<ul style="list-style-type: none"><li>Savings from one-time special projects, through elimination of lower priority activities. Existing ministry resources will be re-allocated to the special projects to meet requirements, where necessary.</li></ul>		0.25
<ul style="list-style-type: none"><li>Reduction in transfers to the Ontario-Quebec Commission on Cooperation and the Queen's Centre for International Studies.</li></ul>		0.09
<ul style="list-style-type: none"><li>Reductions in employee wages, salaries and benefits.</li></ul>		0.06

# MINISTRY OF THE SOLICITOR GENERAL AND CORRECTIONAL SERVICES

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### Restructuring Measures

3.4

- The Ministry of the Solicitor General and Correctional Services is among those ministries which have recently been integrated to merge related services that had previously been separately managed. Integration will result in more efficient, accessible and responsive services.

### Reductions in Spending

9.6

- Overall spending reductions will be made in transportation, communications, and goods and services, e.g., reduction in the budget for uniforms and vehicle replacement.
- In addition, the Ministry will proceed with one time measures, such as plans to defer the hiring of additional probation and parole officers, and to defer the opening of additional beds at the Mimico Detention Centre for 1993/1994.

### Community Services

2.0

- The Ministry will be flat-lining budget allocations to the transfer payment agencies which it funds, including those providing community support services and community correctional services. With respect to the latter group, the Ministry decided last year to close two adult community resource centre programs. These programs are now in the process of being closed, and the services will not be replaced.

### Operational Streamlining

3.2

- Streamlining correctional services operations by reducing regional offices from 5 to 4; restructuring probation and parole area offices; implementing uniform management structures and rationalizing non-essential support programs within the institutions.
- The ministry will be undertaking further review of its operations during 1993/94 which will include:
  - Streamlining within OPP operations including reassigning front-line OPP officers through detachment amalgamations and efficiencies in administrative support services.
  - Rationalization of institutional operations in the context of justice system reform.

# MINISTRY OF TRANSPORTATION

1993/1994  
Savings  
(\$ Millions)

## INITIATIVES

### *Operational Streamlining*

#### **Vacancy Management Strategy**

4.0

- The ministry has had a staffing freeze in effect since mid-1992. Along with potential vacancies from the government's two recent early retirement incentive plans, this will enable a reduction of 100 positions.

#### **Streamlining Ministry Administration**

22.4

- This will be done at head office and in the ministry's regions and districts. It will involve consolidating and streamlining such functions as financial services, such business processes as payroll services, and reorganizing the delivery of information technology services.

#### **Rationalizing Policy, Planning and Communications**

3.2

- The ministry will rationalize these areas by eliminating management levels, adjusting policy development priorities and reducing the work of external consultants.

#### **Rationalizing the Safety and Regulation Organization**

7.1

- The number of reporting levels in the driver and vehicle licensing and registration area will be reduced. Head office functions will be consolidated.

### *Service Delivery Efficiencies*

#### **Streamlining Engineering and Highway Operations**

30.3

- This will involve delayering and streamlining the management and organization of head office, regional and district operations. High levels of maintenance and service will be assured, and maximum efficiencies derived.

#### **Financing of Municipal Roads**

27.2

- The grant to municipalities will be reduced. In partnership with municipalities, the grants' criteria will be refined and adjustments will be made to the pacing of the projects to put greater emphasis on safety and less on aesthetics and non-essential services.

#### **GO Transit Operations**

16.5

- The provincial subsidy to GO Transit will be reduced by \$16.5 million, of which \$6.5 million is a direct reduction of GO's operating subsidy. GO transit is developing explicit plans to sustain service in a cost-effective manner while managing the subsidy adjustment. This will result in a reduction of certain off-peak rail services and a replacement of train service with buses between Georgetown and Guelph, and Bradford and Barrie.

## OFFICE RESPONSIBLE FOR WOMEN'S ISSUES

	1993/1994 Savings (\$ Millions)
<b>INITIATIVES</b>	
<b>Review of Staffing and Operating Expenditures</b>	1.3
<ul style="list-style-type: none"><li>• Savings will be realised through operating efficiencies and a hiring freeze.</li></ul>	
<b>Working with Other Equity Offices and Ministries</b>	0.4
<ul style="list-style-type: none"><li>• Discussions are underway with other ministries on more efficient ways of working together to provide services and administrative support.</li></ul>	
<b>Reduction in Grants Programs</b>	0.2
<ul style="list-style-type: none"><li>• Grants to women's organizations and joint projects with unions, employers, educators and community groups will be reduced.</li></ul>	
<b>Prevention of Violence Against Women</b>	0.7
<ul style="list-style-type: none"><li>• Reducing the cost of the violence initiatives, with efforts to protect services directly serving women survivors/victims, services to diverse communities, and prevention activities.</li></ul>	

## CORPORATE REDUCTIONS

	1993/1994 Savings (\$ Millions)
<b>Initiatives</b>	
<b>Reductions in Cost Adjustments</b>	130.7
<ul style="list-style-type: none"><li>• Reduced cost escalation on government programs.</li></ul>	
<b>Pay Equity</b>	340.0
<ul style="list-style-type: none"><li>• Reflects the previously announced extension of the timeframe for the implementation of pay equity.</li></ul>	
<b>New/Expanded Programs</b>	150.0
<ul style="list-style-type: none"><li>• Reduced funding for new or expansion of existing programs</li></ul>	
<b>Contingency Fund</b>	240.8
<ul style="list-style-type: none"><li>• Lower than anticipated requirements for corporate and other initiatives.</li></ul>	
<b>Freeze on Uncommitted Funds</b>	100.0
<ul style="list-style-type: none"><li>• Continuation of current freeze on uncommitted or discretionary funds by ministries.</li></ul>	

**1993/1994**  
**Total Reductions: Full-Time Equivalent Positions**

<b>Ministry</b>	<b>1993/1994 Total Reductions (Positions)</b>
Ministry of Agriculture and Food	181
Ministry of the Attorney General	295
Cabinet Office	4
Office of the Lieutenant Governor	1
Ministry of Citizenship	30
Ministry of Community and Social Services	557
Ministry of Consumer and Commercial Relations	75
Ministry of Culture, Tourism and Recreation	231
Ministry of Economic Development and Trade	50
Ministry of Education and Training	224
Ministry of Environment and Energy	52
Ministry of Finance	240
Office of Francophone Affairs	1
Ministry of Health	113
Ministry of Housing	71
Ministry of Labour	208
Management Board Secretariat	300
Ministry of Municipal Affairs	62
Ontario Native Affairs Secretariat	0
Ministry of Natural Resources	266
Ministry of Northern Development and Mines	95
Office of the Premier	3
Ministry of Intergovernmental Affairs	1
Ministry of the Solicitor General and Correctional Services	142
Ministry of Transportation	579
Ontario Women's Directorate	13
<b>Ministry Total</b>	<b>3,794</b>

**1993/1994**  
**Total Reductions: Full-Time Equivalent Positions**

<b>Type of Reduction</b>	<b>1993/1994 Total Reductions (Positions)</b>
Streamlining/Efficiencies	2,099
Closure/Divestments	420
Program Reductions	315
Resignations/Retirements	375
Vacancies	185
Government Integration	400
<b>Total Reductions</b>	<b>3,794</b>

**Compensation Group Impact**

<b>Compensation Group</b>	<b>FTE Impact 1993/1994</b>	<b>Current Population</b>	<b>% Reduction in Population</b>
Senior Management Group	165	2,093	7.9
Management Compensation Plan	927	14,270	6.5
Bargaining Unit	2,570	66,392	3.9
Excluded	55	1,935	2.8
Professional Bargaining	77	1,810	4.2
<b>Total</b>	<b>3,794</b>	<b>86,500</b>	<b>4.4</b>

**Direct Service vs Administrative Support**

	<b>FTE Impact 1993/1994</b>	<b>Per Cent</b>	<b>Per Cent OPS Population</b>
Direct Service	1,949	51.4	70.0
Administrative Support	1,845	48.6	30.0
<b>Total</b>	<b>3,794</b>	<b>100.0</b>	<b>100.0</b>

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